



DRAFT

JUNE 28, 2024

# Make the mark.

DEKALB COUNTY SCHOOL DISTRICT

Comprehensive Financial Audit of E-SPLOST IV and  
E-SPLOST V

June 28, 2024

Dr. Devon Horton  
Superintendent  
DeKalb County School District  
1701 Mountain Industrial Blvd  
Stone Mountain, Georgia 30083

Dear Dr. Horton,

Plante Moran has performed the procedures identified within the report below in accordance with RFP 23-543 – E-SPLOST Comprehensive Audit for DeKalb County School District (the “District”). The purpose of this audit was to assess the District’s management and oversight of funds received via the E-SPLOST IV and E-SPLOST V referendums.

We were not engaged to and did not perform a financial statement audit, the objective of which would be the expression of an opinion on the District’s financial statements. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

Enclosed within this report is an executive summary of our findings to date, along with recommendations for the District to improve its controls, policies, procedures, and oversight in an effort to enhance governance of future E-SPLOST programs. Our team noted four areas of failure by the District to effectively govern the management of taxpayer funds, and we have aligned our recommendations to provide the District with an opportunity to enhance procedures and management oversight to reinforce the public’s trust in the District’s management of taxpayer funds.

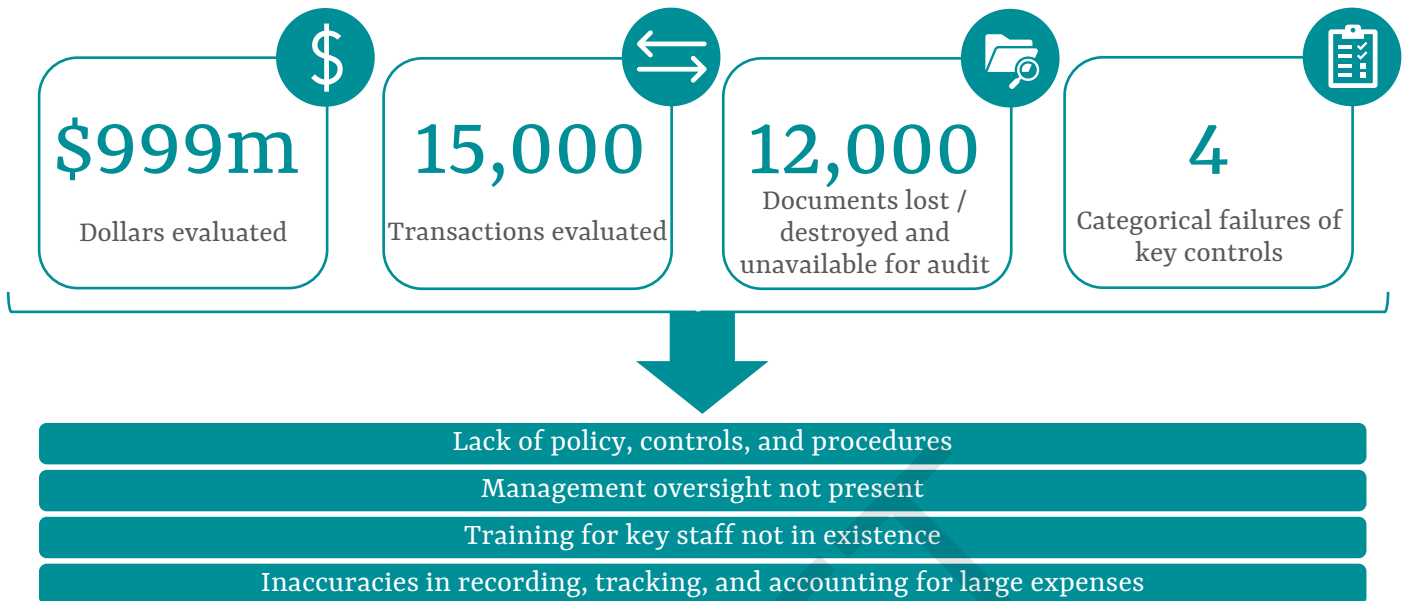
Our team is working diligently alongside District personnel to complete the remaining workstreams of our comprehensive audit. We plan to issue a draft final report to the District by July 31, 2024.

We would like to thank District staff members for their support in providing documentation and clarifications throughout this audit.

Sincerely,

Plante and Moran, PLLC

## Results at a glance



## Background

The DeKalb County School District (the “District”) utilizes the “Education – Special Purpose Local Option Sales Tax (“E-SPLOST”)” as a source of funds for District improvements. Use of this funding includes capital projects including but not limited to new school construction, existing school renovations, upgrades to school technology, procurement of musical instruments, and others as directed by the DeKalb County School Board and its Superintendent. The funding for E-SPLOST projects comes via a one-penny consumption tax funded by all purchases within DeKalb County, GA. On November 8, 2011, residents of DeKalb County voted in favor of approving the referendum related to E-SPLOST IV for a term of 60 months. On December 5, 2016, the residents of DeKalb County voted to further extend the E-SPLOST program via E-SPLOST V for an additional term of 60 months. For purposes of E-SPLOST capital project management, a joint effort of District management and a third-party project management team contracted by the District are responsible for overseeing the selection of vendors, execution of the contracted services, and quality of the construction.

During E-SPLOST IV and E-SPLOST V, the District underwent a major technology upgrade, replacing the legacy ERP system, Crosspoint, with a cloud-based system, Munis. This upgrade resulted in a change in procedures and documentation, which impacted the processes for procuring goods, recording E-SPLOST ledger expenses, and disbursing E-SPLOST-related funds.

Through our review, we identified 4 key themes that summarize our detailed findings:

1. There was a lack of policies, procedures, and controls governing the E-SPLOST program
2. A lack of management oversight and approval over the E-SPLOST program
3. District staff did not have the proper training to effectively execute a controlled E-SPLOST program
4. Multiple errors were noted in the recording, tracking, and accounting for large expenses

## Audit Scope

---

Plante Moran was engaged to conduct a comprehensive audit of the expenditures related to E-SPLOST-IV and E-SPLOST V. The period of our audit included:

- E-SPLOST IV: July 1, 2012 – April 25, 2023
- E-SPLOST V: July 1, 2017 – August 15, 2023

During this period, 15,600 transactions totaling \$999M were expended on E-SPLOST-related projects:

<b>E-SPLOST Program</b>	<b>Count of Transactions</b>	<b>Total Expenses (\$)</b>
E-SPLOST IV	8,800	\$605M
E-SPLOST V	6,800	\$393M
Total	15,600	\$999M

DRAFT

## Procedures

Our team utilized multiple methods of review to analyze the E-SPLOST IV and E-SPLOST V processes:

**Inquiry:** We interviewed key process owners from the District as well as major vendors to understand their roles, responsibilities, and procedures related to E-SPLOST IV and E-SPLOST V.

**Inspection:** Our team inspected the documentation furnished by the district supporting transactions in which E-SPLOST IV or E-SPLOST V funds were utilized to determine the legitimacy, business purpose, accuracy, and approval process for the transaction. We also inspected documentation related to change orders, vendor selection, project tracking, and close-out.

**Reperformance/Recalculation:** For instances where payment of a service was determined based upon the percentage of completion, our team reperformed the calculation utilized to ensure its accuracy.

**Analytics:** After identifying the vendors paid with E-SPLOST IV and E-SPLOST V funds (explained further in Finding #6 in the ensuing section), we performed data analytical tests on disbursements to those vendors. For certain tests, such as identifying sequential invoice numbers, we performed analytics on all invoices to those vendors paid in connection with E-SPLOST IV and E-SPLOST V funds during the scoping period. We weighted various tests to create a risk-based scoring system to identify higher-risk vendors and transactions. The following is a list of tests performed:

No.	Test Name	Test Description
		<b>Invoice Number Tests:</b> Invoice numbers are an important aspect of invoicing as they make it easier to track payments and manage overdue invoices. Anomalies in a vendor's invoice numbers may be indicative of fictitious payments, fictitious vendors, and/or erroneous charges.
1.	Sequential invoice numbers	Sequential invoice numbers can be indicative of a potentially fictitious vendor, as it would indicate they do not have other customers.
2.	Invoice numbers of 100 or lower	Typically, lower invoice numbers are indicative of newly established vendors. Newly established vendors may present an operational risk and/or could be indicative of a fictitious vendor.
3.	Invoice numbers without numbers	Invoice numbers that don't include numbers (i.e., are comprised solely of text characters) would not be expected (i.e., should be the exception versus the norm).
4.	Invoice dates as invoice numbers	Invoice numbers that don't include legitimate numbers (i.e., are just the invoice date) would not be expected (i.e., should be the exception versus the norm).
5.	Duplicate invoice numbers	Duplicate invoice numbers may be indicative of a fictitious charge or a fictitious vendor and/or may lead to accidental duplicative payments.

No.	Test Name	Test Description
	<b>Vendor Information Tests:</b> A vendor master file (“VMF”) is a database that lists all vendors. It typically includes key information about an organization’s vendors, including addresses, key contacts, payment terms, EIN, etc. Anomalies in this data may signal fictitious vendors, vendors with a conflict of interest involving employees, or poor record-keeping practices.	
6.	Invoices from vendors not on the vendor master file	A payment issued to, or invoice received from, a vendor not listed in the VMF can be indicative of a problematic disbursement.
7.	VMF to Employee Master File Comparison	Vendors with matching characteristics, such as an address, with an employee may indicate a fictitious vendor.
8.	Vendors with missing information	A potential characteristic of a fictitious vendor is that key information for the vendor is missing from the VMF.
	<b>Vendor Payment Tests:</b> We conducted various statistical and red-flag tests to identify vendors with anomalous payment activity.	
9.	Z-Score analysis	A one-time payment to a vendor for an amount significantly larger than other payments to that vendor can also be indicative of a fraudulent payment. A Z-Score is a statistical measurement that identifies payments that are outside the expected amount compared to the average payments for a vendor.
10.	Benford's Law	Benford’s Law is a mathematical theory that applies to large sets of randomly produced natural numbers, such as AP disbursements. According to this theory, the number 1 occurs more frequently than the number 9, resulting in an inverse exponential distribution. Problematic payments, if they exist, often deviate from Benford’s Law because they are not random.
11.	Round dollar amount invoices	While legitimate disbursements may involve rounded dollar amounts, perpetrators frequently use these rounded amounts when issuing problematic payments.
12.	Trend of vendor payments over time	One potential characteristic of a fictitious vendor and/or a kickback scheme is the payments to the vendor increase over time.
13.	Vendors receiving only one payment	A potential characteristic of a problematic disbursement is that the payment was issued to a vendor who received no other payments.

**Background Research:** We identified employees at the District, as well as AECOM contractors, deemed “key” to the E-SPLOST IV and E-SPLOST V programs. Key employees were defined as:

- Individuals involved in vendor selection, contract negotiation, and/or other procurement and approval tasks, as identified through review of supporting documentation and organizational charts; or
- Employees with E-SPLOST-related wages over \$100,000 during the scope period

We conducted background research on these individuals using a variety of tools, including Thomson Reuters CLEAR software<sup>1</sup>, the Secretary of State Business Entity Search tools across multiple states, and internet research. When an individual appeared to own a business, we also researched that business. We compiled information regarding addresses associated with the key employees (and their businesses, if applicable) and compared this information to the current VMF to identify potential matches (limited to E-SPLOST vendors only).

**Email Review:** Leveraging information learned from our analytics, interviews, background research, and document inspection, we determined our scope for reviewing emails to include the activity of approximately 40 individuals. We extracted over 5,000,000 emails and attachments from the District’s server in relation to these ~40 individuals.

## Summary of Findings

Throughout the audit process, our team noted significant findings that either deviate from the stated policy or are based upon our professional judgment and indicate a lack of control over E-SPLOST IV and E-SPLOST V funds.

Finding Category	Finding Detail
1. Policies	Lack of enforceable policy to govern District processes
2. Project Spend Tracking	Incomplete and inaccurate ledger of E-SPLOST transactions
3. Contract procurement, execution, and monitoring	Contracts were written in a manner that was not favorable to the District and resulted in the overpayment of additional soft costs and a lack of spending oversight
4. Records Retention	Documents to support the audit were not retained in accordance with District policy
5. Vendor Selection	Vendor selection teams were not appropriately split between AECOM and District personnel
6. Purchase approval	Purchases were initiated prior to approval of the purchase order
7. Accounting Errors	Manual recording of expenses resulted in multiple uncorrected errors

<sup>1</sup> <https://legal.thomsonreuters.com/en/products/clear>

## Finding #1 - Policies

**Observation:** The Policy and Procedures Manuals (“PPM”) were not developed to align with District processes and were not communicated to District personnel. As a result, District personnel were unfamiliar with the PPM, and there was no policy being adhered to throughout the E-SPLOST IV and E-SPLOST V programs.

**Background/Details:** The District engaged URS Corporation (E-SPLOST IV) and AECOM Technical Services, Inc. (E-SPLOST V) to prepare a policy manual for each E-SPLOST program. These policies, referred to as the Program Procedures Manual (“PPM”), were intended to govern E-SPLOST spending and detail the policies and procedures to ensure the E-SPLOST program adheres to legal and regulatory requirements, as well as best practice processes.

## Recommendation #1

The District should engage a third party to develop a policy and tracking mechanism for future E-SPLOST programs that considers input from District personnel while taking into account any legal or regulatory requirements. The policy should include the following attributes:

1. Responsibilities for job roles involved in E-SPLOST programs
2. Timelines for process completion
3. Decision-making authority limits
4. Process for communication of policy requirements to District personnel
5. Monitoring procedures to ensure compliance
6. Procedures for accurate document retention
7. Oversight procedures in establishing the budget, scope, and schedule to ensure quality, timeliness, and strong economics in project management (see Recommendation #3 for further details)

Suggested timeframe for implementation: Q1 FY 2025

## Finding #2– Project Spend Tracking

**Observation:** The District did not maintain a complete and accurate ledger of E-SPLOST-related transactions consisting of project, expense details, vendor, date, and amount. This issue appears to have occurred because of the conversion to Munis in 2018, as well as a lack of appropriate supporting documentation for journal entries.

**Background/Details:** We were provided a “Spend and Budget Report” for E-SPLOST IV and E-SPLOST V separately. These reports summarize the total spent by phase (pre-construction, admin, architect, etc.) through May 8, 2023, totaling \$998M. However, the reports do not show the transaction details comprising these amounts.

When we requested the transaction details, we were provided various reports from Crosspoint and Munis, which totaled \$1.233B, a variance of over \$200M. Much of this variance was due to transactional data originally recorded in the legacy Crosspoint system being duplicated in Munis and/or imported into Munis without vendor details. These duplicates and lack of vendor detail were not easily identifiable for the purpose of tracking E-SPLOST project spend.

Additionally, during the implementation of Munis, some transactions were not coded with a *project string*. The missing information caused Munis to inaccurately display/categorize certain expenditures in comparison to the Spend and Budget Reports. As a result, only 171 of the 261 projects listed on the initial transaction details provided to us reconciled to the Spend and Budget Reports, with a nearly \$240M unreconciled variance remaining.

Through extensive research into both systems (Crosspoint and Munis) transactional details, Munis Project Detail History reports, Munis Project Journal Inquiry reports, and review of supporting documentation, we constructed a detailed transaction ledger totaling \$999,117,563<sup>2</sup>, which agreed to the Spend and Budget Reports.

After reconciling totals by project, there were still hundreds of line items missing key pieces of information needed for analysis, such as who (i.e., what vendor) was paid and for how much, as many of the transactions were recorded via manual journal entries (i.e., batches), rather than individual disbursements through accounts payable. Through additional review of journal entry documentation and inquiries to District personnel, we identified the vendors paid for nearly all 15,000+ transactions included in the detailed listing.

There are 22 line items/journal entries totaling a negative (\$461,310.85), for which vendor details could not be identified. However, this amount is decreasing the total spend and, therefore, is likely the reclassification of costs between projects, rather than unknown disbursements for which we have no detail. Therefore, we have inherently tested the transactions/vendors related to these 22 line items.

These inconsistencies and omissions in maintaining a complete and accurate transaction listing pose significant challenges to the accurate tracking and management of E-SPLOST activities. They also resulted in significant additional time in our engagement, as, in order to comprehensively test E-SPLOST-related spending, we needed the detailed components of what was spent.

## Recommendation #2

The District should provide comprehensive training sessions, standard operating procedures, and ongoing support to personnel responsible for financial record-keeping duties. Employees should have the necessary knowledge and skills to effectively utilize the accounting system or software; Munis has the capability to track spending by project, which should be leveraged for future E-SPLOST projects. Trainings should cover topics such as data entry techniques, ledger reconciliation procedures, adequate journal-entry documentation, and error resolution protocols. The District should encourage open communication channels for employees to seek assistance or clarification on ledger-related matters.

Suggested timeframe for implementation: Q1-Q2 FY 2025

---

<sup>2</sup> The \$841,340 difference between the \$998M in the Spend and Budget Reports and the \$999M in our detailed transaction listing is a result of the timing between obtaining the Spend and Budget Reports and later creating a detailed transaction listing. We included the additional \$841,340 of detailed transactions in our analysis.

## Finding #3 – Contract Procurement, Execution, and Monitoring

**Observation:** The District’s contractual and financial processes of implementing capital improvements from procurement and planning through construction and close-out can be significantly improved from its current state. This includes procurement documentation, establishing and tracking the budget-to-actual costs from the planning phase through construction (including contingencies), and close-out activities.

### **Background/Details:**

#### Contract Forms

We reviewed the construction management proposals, contracts, and Payment Applications for fifteen (15) capital projects (5 new construction and 10 renovations/additions) as part of E-SPLOST IV and E-SPLOST V. From our review of the procurement process, the District utilizes its own set of construction contracts and issues request for qualifications and proposals for individual projects in alignment with industry practices. For the new construction projects, the original contracts for pre-construction match the proposing firms’ proposed fee for pre-construction services. We found instances of executed contract forms with blank line items related to fees and costs for construction services (i.e., Construction Manager (CM) fees, staffing, general conditions, insurance, etc.).

Under normal industry, standard documents such as AIA documents, EJCDC documents, or Consensus documents, a separate document called the “General Conditions of Construction” governs the processes associated with administering the construction process and outlines the “cost of work” and change orders/contingencies. Additionally, this document is incorporated into both the Architect Engineer (“AE”) and CM/General Contractor (“GC”) contracts as a “bridging” document to ensure that the separate obligations of the AE and CM under their respective contracts align to allow for the smooth administration of the work. In the Dekalb County School District contract documents, we observed that there is no such bridging document, which could give rise to coordination issues during construction administration.

In addition, we observed in the CM GMP Lump Sum contracts that the scope of work was articulated by a general reference to the drawings, project manual, and addendum. The best practice is to provide more specificity of the project documents by including the dates published and the control version and/or having the AE provide their index of drawings and specifications (with dates of final issuance) for incorporation. This will help to avoid disputes over what version of the documents formed the basis of the contract.

#### Payment Applications

Observed multiple instances where the architect of record did not certify the Application for Payment. The architect’s certification is a critical control as an independent representation of the architect’s belief that the work has progressed to the point of the requested payment and that the work is in general conformance with the contract requirements. It also allows the review of change orders and an allocation as to the cause of such (field condition, error or omission, missing bid scops, AHJ requested change, unforeseen conditions, etc.)

We did not observe any sworn statements included in payment applications. While not contractually obligated, the inclusion of sworn statements is a best practice requiring the CM/GC to attest that the contractors listed are the only contractors providing labor and materials and that the breakdown of costs is accurate.

Sworn statements allow the Owner to monitor the flow of costs among the CM/GC and subcontractors, secure appropriate waivers, and identify all potential claimants, secure appropriate waivers. An industry standard AIA G907-2022 could be used.

While lien waivers/releases were included in some payment applications, not all payment applications included these documents. Without a supporting sworn statement, it is impossible to determine if all waivers and releases were provided.

### Bonding/Insurances

Bonding of the prime CM/GC is required by GA law for public contracts. A CM on a cost-plus contract often requires their subcontractors to also provide a bond protecting the CM against a subcontractor's default at the Owner's cost. The CM is already responsible for the subcontractor's performance or lack of performance; no meaningful benefit to the Owner is provided by double bonding. Observed instances of double bonding being listed in the schedule of values, but no bond information was provided to substantiate the procurement of a bond.

Instead of a subcontractor bond, some CMs attempt to secure a subcontractor default insurance ("SDI") policy or provide self-insurance. As with a subcontractor bond, SDI is a protection measure for the CM provided at the Owner's cost with no meaningful benefit being provided to the Owner. Observed instances of CMs seeking payment for SDI policies without backup, demonstrating any policy was procured.

### Cost Plus Contracts

Upon reviewing the contracts and payment applications, we observed instances of large change orders ranging from \$5,000,000 up to \$22,942,000. These change orders are part of the construction management process of bidding out the individual trade contracts and assigning these to the engaged Construction Manager. Included with the change orders are costs associated with the CM fee, staffing, general conditions, and insurance.

It is best practice to have contractual terms governing the use of the contingency (e.g., specifying a procedure for the use, the allowable uses, and a drawdown schedule for the return of unused contingency to the Owner over the duration of the Project). Did not observe adequate contingency controls within the cost-plus contracts relative to the original budget to actual costs, cause of the contingency, reallocation of unused contingency, etc.

It is best practice to maintain an Owner Contingency within an overall project budget; observed instances where the Owner Contingency was held within the CM Guaranteed Maximum Price. This is not a preferred practice given:

1. If the Owner Contingency is within the GMP, there is a lack of contingency controls, and the CM is entitled to charge a fee for it
2. If outside the CM contract, Owner contingency can be used for other contracts and costs at the owner's discretion

### Recommendation #3

The District should conduct a comprehensive overview of its Construction Management contract documents and incorporate industry “best practice” processes relative to defining fees, staffing, general conditions, insurance, and contingency use. In addition, bridging documents and more specificity of the project bidding documents, including the dates published, control version, and/or having the AE provide their index of drawings and specifications (with dates of final issuance) for incorporation.

Included in the contract review process, the District should conduct a comprehensive overview of the Payment Application process to ensure that multiple departments are reviewing, receiving, and approving the applications for payment, including the application of the proper CM costs, including fees, staffing, general conditions, contingency use, allowance use, and insurances and that multiple departments received and retain these records accordingly.

Suggested timeframe for implementation: Q1-Q2 FY 2025

### Finding #4 – Records Retention

**Observation:** The District did not maintain records in an organized and auditable manner. Additionally, the District failed to appropriately maintain records in accordance with the DeKalb County School District Records Retention Schedule, dated 2013.

**Background/Details:** E-SPLOST-related records prior to conversion to the Munis ERP system, if retained, were maintained in paper form and stored in a disaggregated fashion at several District locations. 46,404 documents were requested to complete detailed testing of the expenses. The requested documents consisted of invoices, evidence of approval, and evidence of payment for each expense. Requests for the District to produce documentation, if fulfilled, often took 90 or more days.

Per Section 10 – “Property” of the retention schedule, records related to capital construction must be maintained for 11 years after the completion of the project. To date, there are 12,098 documents that have been confirmed either lost or destroyed and unable to be audited. Details regarding the documents confirmed lost or destroyed are in the table below:

E-SPLOST Program	Documentation Type	Count Confirmed Lost or Destroyed (by expense line item)
IV	Invoices	1,941
IV	Payment Approval	2,023
IV	Payment Support	2,343
IV	Purchasing Terms	4,403
V	Invoices	250
V	Payment Approval	290
V	Payment Support	23
V	Purchasing Terms	825
<b>Total</b>		<b>12,098</b>

Through testing procedures, our team learned the District did not communicate the need to retain records to team members, as many individuals were unaware of the required retention policies. Additionally, District management did not execute a monitoring program to ensure records were retained in accordance with applicable policies.

## Recommendation #4

The District should develop and deploy a records retention training program for all District personnel. This training includes the following:

1. Awareness of governing policies in place from a District and regulatory standpoint
2. Instruction that multiple retention timelines may apply to a single document. In these instances, the longest of the applicable timelines applies
3. Best practices for storage contemplating security, structured folders, and searchability
4. Procedures for effective disposal

Additionally, the District should develop and execute a management monitoring program to routinely review the effectiveness of the District's records retention policy. This should focus on selecting key documents within each department on a rotating schedule to evaluate whether these documents have been retained or not retained in accordance with applicable policies. This will allow future audits of E-SPLOST expenditures to be executed in a timely, efficient manner and improve the District's adherence to the DeKalb County School District Records Retention Schedule.

Suggested timeframe for implementation: Q1 – Q2 FY 2025

## Finding #5 – Vendor Selection

**Observation:** Selection committees to determine vendors to provide services paid for with E-SPLOST funding were not comprised of sufficient and adequate team members, as recommended by the policy. Of 329 vendor scoresheets analyzed, we noted that 68% did not have the appropriate split between DCSD personnel and third-party project management personnel.

**Background/Details:** The District utilized selection committees to determine vendors to provide services paid for with E-SPLOST funding. Per the PPM, the following guidelines for selection team compositions are recommended:

1. E-SPLOST IV
  - a. Two DCSD team members
  - b. Two third-party project management team members
2. E-SPLOST V
  - a. Three DCSD team members
  - b. Two third-party project management team members

In our analysis, we noted the following:

1. E-SPLOST IV
  - a. 2 out of 243 score sheets had less than 4 evaluators
  - b. 104 of the 241 projects had more DCSD team members than third-party project management team members
2. E-SPLOST V
  - a. 48 out of 85 score sheets had less than 5 evaluators
  - b. 4 out of 85 score sheets had more third-party project management team members than DCSD team members. In all 4 instances, contracts were awarded to Evergreen Construction

## Recommendation #5

The District should implement a monitoring program for the Procurement Department to ensure representation on selection committees is in line with policy and best practices. This monitoring program should include an objective review prior to vendor evaluation to ensure the individuals assigned to the selection committee are in alignment with applicable policies. A component of the vendor selection process should include a certification from the Procurement Department that the selection committee was aligned with applicable policies.

Additionally, on at least a semi-annual basis, the Internal Audit Department should execute reviews of the Procurement Department's adherence to these policies by selecting a sample of vendor evaluations to validate that the selection committee representation is appropriate.

Suggested timeframe for implementation: Q2-Q3 FY 2025

## Finding #6 – Purchase Approval

**Observation:** The District did not have a process for ensuring purchase orders were created and approved prior to the purchase being made and invoice being generated by the vendor. In instances in which a purchase order was not available for audit, management indicated an accounting transmittal form could be leveraged. To date, 3,720 transactions (24%) did not have a purchase order or transmittal form that contained all approvals as required by policy.

**Background/Details:** Through inquiry with District personnel, it was noted that in instances where a purchase order was not available and an invoice was due to be paid, the District utilized “after the fact purchase orders,” in which the individual requesting payment of the invoice would approve the purchase of the goods after delivery and invoicing had already occurred.

## Recommendation #6

The District should ensure that the policy is clear and enforced that purchases are not to be made without a fully approved purchase order from Munis.

Suggested timeframe for implementation: Q1 FY 2025

## Finding #7 – Accounting Errors

**Observation:** Multiple accounting errors were identified:

1. An invoice in the amount of \$1,365 was passed through to the District for the same services as another invoice for \$1,365; however, the invoices contained different invoice numbers. The invoice was paid to the vendor twice.
2. Two invoices with the same invoice numbers and the same services were paid to the vendor twice. The two invoices totaled \$505. The invoices were processed by the District and paid twice on separate checks.
3. For E-SPLOST IV, there was one expenditure in which there was a discrepancy in the amount invoiced from the vendor and the amount paid to the vendor. The total difference was \$1,070.
4. For E-SPLOST V, there were \$2.1m in expenses that were recorded to incorrect projects and were not corrected.

---

**Background/Details:** Recording of expenses was performed by manual entry. A lack of management oversight and effective controls resulted in errors not being identified to be corrected.

### Recommendation #7

The District should ensure team members are trained on how to effectively review invoices for specific services. Team members should track long-term projects for services previously invoiced and ensure services are not invoiced multiple times.

Suggested timeframe for implementation: Q1 FY 2025

DRAFT